

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4662-01
Bill No.: HB 1979
Subject: Education, Higher; Military Affairs
Type: Original
Date: April 8, 2008

Bill Summary: This proposal establishes the Missouri National Guard and Missouri Reservists Family Education Grant.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(Unknown greater than \$43,577)	(Unknown greater than \$53,861)	(Unknown greater than \$55,475)
Total Estimated Net Effect on General Revenue Fund	(Unknown greater than \$43,577)	(Unknown greater than \$53,861)	(Unknown greater than \$55,475)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Department of Higher Education	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Higher Education (DHE)** assume it is impossible to predict with any accuracy the number of children and spouses who would be eligible for or who would take advantage of this program. Children's eligibility is based on a parent's deployment in support of the global war on terror. The number of national guard members and reservists who will be injured while deployed in support of the war on terror is impossible to predict. Based on these uncertainties, the DHE cannot estimate the number of children and spouses who would seek to participate in this new program.

The DHE estimates that one FTE of a Program Specialist position at an estimated salary of \$35,000 plus associated expense and equipment would be needed in FY 2009 to implement this program. This Program Specialist would be responsible for overall administration of this program, including reviewing institutional eligibility requirements and working with participating institutions in order to distribute funds accurately and smoothly.

Officials at the **Lincoln University** assume a possible fiscal impact in the form of increased tuition and fees from program participants.

Officials at the **Metropolitan Community College, Department of Public Safety, University of Missouri, Linn State Technical College, University of Central Missouri, Missouri Veterans Commission** and the **Office of the Adjutant General** assume that there is no fiscal impact from this proposal.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations

ASSUMPTION (continued)

related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE			
<u>Cost - Dept. of Higher Education</u>			
Personal Service	(\$30,042)	(\$37,132)	(\$38,245)
Fringe Benefits	(\$13,285)	(\$16,420)	(\$16,912)
Expense and Equipment	<u>(\$250)</u>	<u>(\$309)</u>	<u>(\$318)</u>
<u>Total Cost - Dept. of Higher Education</u>	(\$43,577)	(\$53,861)	(\$55,475)
FTE Change - DHE	1 FTE	1 FTE	1 FTE
 <u>Cost - Dept. of Higher Education</u> scholarships	 (Unknown)	 (Unknown)	 (Unknown)
 ESTIMATED NET EFFECT ON GENERAL REVENUE	 <u>(Unknown greater than \$43,577)</u>	 <u>(Unknown greater than \$53,861)</u>	 <u>(Unknown greater than \$55,475)</u>
 Estimated Net FTE Effect on General Revenue	 1 FTE	 1 FTE	 1 FTE
 <u>FISCAL IMPACT - Local Government</u>	 FY 2009 (10 Mo.)	 FY 2010	 FY 2011
	 <u>\$0</u>	 <u>\$0</u>	 <u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill establishes the Missouri National Guard and Missouri Reservists Family Education Grant which allows children of a Missouri National Guard member or a Missouri reservist with the United States Reserves to receive a grant for tuition at an in-state public college or university if the parent is deployed in support of the global war on terrorism. The child must meet specific financial guidelines established by the Coordinating Board for Higher Education within the Department of Higher Education to be eligible for the grant.

The spouse of a Missouri National Guard member or a Missouri reservist with the United States Reserves is also eligible to receive a grant if the member or reservist is injured while deployed in support of the global war on terrorism. The extent of the injury and its effect on the soldier's ability to return to his or her profession after discharge from the military must meet specific guidelines established by the board.

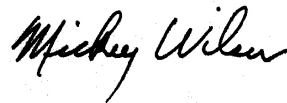
The grants will include the full cost of tuition at a Missouri public post-secondary institution, an allowance for room and board up to \$2,000 per semester, and the actual cost of books up to \$500 per semester. Grants do not cover graduate study, and no grant will be awarded for more than 100% of the cost of tuition and books when combined with similar funds given to the grantee. In order to be eligible to receive a grant, the child or spouse must be certified by a Missouri National Guard officer or a designee of the Missouri Veterans Commission. Children will be eligible to apply for this grant until they reach 25 years of age.

The provisions of the bill will expire six years from the effective date.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education
Metropolitan Community College
Department of Public Safety
University of Missouri
Linn State Technical College
Lincoln University
University of Central Missouri
Office of the Secretary of State
Missouri Veterans Commission
Office of the Adjutant General

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 8, 2008